

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of Rideshare Port Management, L.L.C., and AMRAT, Inc. dba Prime Time Shuttle pursuant to the California Public Utilities Code § 1031 to enlarge its present authority to include points in both Riverside and San Bernardino Counties.

Application 01-05-055
(Filed May 29, 2001 and
amended June 14, 2001)

O P I N I O N**A. Summary**

This decision grants the application of Rideshare Port Management, L.L.C. (RPM), dba Prime Time Shuttle-Los Angeles, and AMRAT, Inc. (AMRAT), dba Prime Time Shuttle to expand their present authority to include points in both Riverside and San Bernardino Counties. MotorSTATION CORP., a transportation consultant, filed a protest. That protest is denied.

B. Background**1. Applicants**

RPM and AMRAT are two distinct but closely related applicants. RPM provides the transportation services. AMRAT is a corporation that oversees the operations of RPM and provides certain management functions. AMRAT is also the majority owner of RPM.

Because of the close relationship and shared responsibility for jointly conducting the total operation, each of the applicants has previously been

granted authority from this Commission to conduct operations as a Passenger Stage Corporation (AMRAT- PSC 11415 and RPM- PSC 10811). Applicants jointly do business as Prime Time Shuttle.

Currently applicants conduct operations between San Bernardino and Riverside counties on the one hand and Los Angeles International Airport (LAX) on the other hand. RPM is one of three competing entities holding a concessionaire agreement with the LAX Board of Airport Commissioners. Applicants state that RPM is in good standing with the Los Angeles Department of Airports.

2. Application

By this application applicants seek authority to expand their current operations to serve points in San Bernardino and Riverside Counties from Pasadena-Glendale-Burbank Airport (BUR), John Wayne Airport (SNA), Ontario Airport (ONT), Long Beach Airport (LGB), Los Angeles AMTRAK Station, and the Long Beach and Los Angeles Harbors.

Applicants state that airport shuttle service is a very competitive enterprise and that in order to remain competitive with the other two concessionaire holders at LAX, they must be able to offer service to Riverside and San Bernardino Counties from other than LAX. Applicants' competitors currently hold this authority. Applicants state that although AMRAT has authority to serve the points in San Bernardino and Riverside Counties under PSC-11415, it is necessary to possess the authority sought herein as well for RPM as noted above. In addition to Commission requirements, LAX also requires that the operating authority for AMRAT and RPM be co-extensive.

Decision 99-05-033 authorized AMRAT to change rates within a Zone Of Rate Freedom (ZORF). This application requests that a ZORF be approved for the extended authority sought by this application.

Applicants attached a copy of the proposed fare schedule to this application as Exhibit A. Applicants state that these proposed rates are competitive for this requested authority and should be approved.

3. Procedural Background

Notice of the application appeared in the Commission's Daily Calendar on May 31, 2001, and notice of the amended application appeared on June 14, 2001, noting "The Amendment consists of clarifying that Rideshare Port Management, L.L.C., and AMRAT, Inc. are in fact two different companies." On June 14, 2001, the Commission issued ALJ Resolution 176-3065 in which it preliminarily categorized the proceeding as ratesetting and found no hearing was necessary. MotorSTATION CORP. filed a protest on July 16, 2001. Applicants filed their response on July 23, 2001.

4. Route Descriptions

Applicants state that because of the on-call and ride-share nature of the airport shuttle business, there will not be regular routes between terminal points, as usually provided by scheduled carriers. Applicants and their drivers will select the most direct route available under conditions at the time of service.

5. Service

Applicants will provide service in modern, well-maintained 11 passenger Dodge/Ford/Chevrolet vans via independent owner-operators having their own Charter Party Carrier Permits, which is consistent with applicants' current operations into Los Angeles, Ventura and Orange Counties.

Applicants' service would include loading and unloading passengers' baggage to and from cargo compartments in the vans. It is anticipated that approximately 70-90% of the transportation service will be paid for on a pre-arranged basis through credit card purchases as well as tour operators and travel agents. Those passengers riding on such pre-arranged basis would present drivers with a trip confirmation number and board without further ado. Riders may also pay the fare in cash or by credit card upon boarding the van.

6. Insurance

Applicants state that they carry liability insurance in excess of the requirements of the Commission's General Order 101-E. In addition, Applicants carry Workmen's Compensation insurance covering all employees as required by the Pub. Util. Code §§ 460.7 & 1043.

7. Applicants' Financial Statement

Applicants attached as Exhibit B to the application the most recent financial statement available for AMRAT. The application shows that the applicants have annual gross operating revenues of \$1,502,211 and net assets of \$2,392,296. The application shows that the applicants have the necessary resources to enlarge and maintain the operation within the expanded area sought. Applicants also state that they are current in the payment of tax obligations to the Commission as shown in Exhibit C to the application.

8. Protest

On July 16, 2001, MotorSTATION CORP. filed a late protest. MotorSTATION CORP. states that it is not a passenger stage corporation licensed by this Commission. Rather, MotorSTATION offers consultation services and describes itself as a "potential" competitor.

No other protests have been filed.

Applicants responded to the protest July 23, 2001.

C. Discussion

MotorSTATION CORP.'s protest complains of policies previously adopted by this Commission as well as policies and programs adopted by LAX. The protest was late filed, and does not allege sufficient facts pertaining to this application to cast doubt on the applicants' showing. The protest does not show that the protestant is affected by this application. The protestant may file a petition seeking the adoption of a regulation pursuant to Pub. Util. Code § 1708.5 if it wishes to pursue changes to previously authorized Commission policies and practices. As to protestant's concerns with LAX authorized shuttle rules and policies, those concerns should be addressed to the LAX Board of Airport Commissioners.

We deny this protest, and we grant the application. Applicants have met their burden of proof.

D. Comments on Draft Decision

The draft decision of the ALJ in this matter was mailed to the parties in accordance with Pub. Util. Code § 311(g)(1) and Rule 77.7 of the Rules of Practice and Procedure. No comments were filed.

Findings of Fact

1. Applicants propose to offer expanded service between points in southern California on the one hand, and ONT, SNA, LGB, the Los Angeles AMTRAK train station, and the Los Angeles and Long Beach harbors, and other specific points, on the other hand, and to offer on-call service in the counties of San Bernardino and Riverside.

2. Applicants will operate in a very competitive environment and require the ability to change fares in response to that competition within certain parameters.

3. Applicants currently possess licenses to conduct operations between certain points in Southern California and LAX.
4. Applicants' operations for the recorded year 2000 show financial fitness.
5. Applicant requests authority to establish a ZORF and the proposed fares as shown in Exhibit A, attached to the application.
6. The protest states policy concerns but does not cast doubt on applicants' showing.

Conclusions of Law

1. Applicants are already licensed by this Commission.
2. Applicants have demonstrated that this proposed service is in the public interest.
3. Applicants should be granted a certificate of public convenience as requested.
4. The protest should be denied.
5. The request for a ZORF and the proposed rates should be granted.
6. Before applicants changes any fares under the ZORF authorized below, applicants shall give this Commission at least 10 days' notice. The filing of ZORF fares should be shown in the tariff showing between each pair of service points the high and low ends of the ZORF and the then currently effective fare.

O R D E R

IT IS ORDERED that:

1. The certificate of public convenience and necessity (CPCN) granted to Rideshare Port Management, L.L.C. (Applicant and RPM), a limited liability company, authorizing it to operate as a passenger stage corporation (PSC), as defined in Pub. Util. Code § 226, to transport persons and their baggage,

between the points and over the routes set forth in Appendix PSC-11415 of Decision 99-04-050, is amended by replacing Original Page 3 with First Revised Page 3 (following), subject to the conditions contained in Ordering Paragraph 3.

2. The CPCN granted to AMRAT, Inc. (Applicant and AMRAT), a corporation, authorizing it to operate as a PSC, as defined in Pub. Util. Code § 226, to transport persons and their baggage, between the points and over the routes set forth in Appendix PSC-10811 of D 99-05-033, is amended by replacing Original Page 3 with First Revised Page 3 (following), subject to the conditions contained in Ordering Paragraph 3:

3. Applicant shall:

- a. File a written acceptance of this certificate within 30 days after this order is effective.
- b. Establish the authorized service and file tariffs and timetables within 120 days after this order is effective.
- c. File tariffs on or after the effective date of this order. They shall become effective ten days or more after the effective date of this order, provided that the Commission and the public are given not less than ten days' notice.
- d. Comply with General Orders (GO) Series 101, 104, and 158, and the California Highway Patrol (CHP) safety rules.
- e. Comply with the controlled substance and alcohol testing certification program pursuant to Pub. Util. Code § 1032.1 and GO Series 158.
- f. Continue to maintain accounting records in conformity with the Uniform System of Accounts.
- g. Remit to the Commission the Transportation Reimbursement Fee required by Pub. Util. Code § 423 when notified by mail to do so.
- h. Comply with Pub. Util. Code §§ 460.7 and 1043, relating to the Workers' Compensation laws of this state.

- i. Enroll all drivers in the pull notice system as required by Section 1808.1 of the Vehicle Code
4. Applicants are authorized under Pub. Util. Code § 454.2 to establish a zone of rate freedom (ZORF) and the rates shown in Exhibit A, attached to the application.
5. Applicants are authorized under Pub. Util. Code § 454.2 to establish a ZORF of \$10 above and below any of the proposed fares shown in Exhibit A, attached to the application. The minimum one-way adult fare is \$5.
6. Applicants shall file a ZORF tariff in accordance with the application on not less than 10 days' notice to the Commission and to the public. The ZORF shall expire unless exercised within 120 days after the effective date of this order.
7. Applicants may make changes within the ZORF by filing amended tariffs on not less than 10 days' notice to the Commission and to the public. The tariff shall include between each pair of service points the authorized maximum and minimum fares and the fare to be charged.
8. Applicants shall file tariffs on or after the effective date of this order. They shall become effective ten days or more after the effective date of this order, provided that the Commission and the public are given not less than ten days' notice.
9. In addition to posting and filing tariffs, Applicants shall post notices explaining fare changes in its terminals and passenger-carrying vehicles. Such notices shall be posted at least ten days before the effective date of the fare changes and shall remain posted for at least thirty days.
10. Before beginning service to any airport, Applicants shall notify the airport's governing body. Applicants shall not operate into or on airport property unless the airport's governing body authorizes such operations.

11. The CPCN to operate that are granted herein shall expire unless exercised within 120 days after the effective date of this order.

12. The application is granted as set forth above.

13. This proceeding is closed.

This order is effective today.

Dated _____, at San Francisco, California.

SECTION II. SERVICE AREAS.

- A. 1. All points within the geographical limits of Los Angeles and Orange Counties and all points within the cities of Ventura, Simi Valley, Fillmore, Thousand Oaks, Oxnard, Ojai, Moorpark, Camarillo, Port Hueneme, and Santa Paula, in Ventura county.
- 2. Any point or place in the Counties of *San Bernardino and *Riverside.

- B. Los Angeles International Airport (LAX).
Burbank Airport (BUR).
Long Beach Municipal Airport (LB).
Ontario International Airport (ONT).
John Wayne Airport (SNA).
Los Angeles AMTRAK Union Station.
Los Angeles and Long Beach Harbors.

SECTION III. ROUTE DESCRIPTIONS.

ON-CALL SERVICE

Route 1 Los Angeles/Orange -Airports, Harbors, Rail Stations

Commencing from any point or place, as described in Section IIA1, then over the most convenient streets, expressways, and highways to any point, described in Section IIB.

***Route 2-San Bernardino/Riverside - Airports, Harbors, Rail Stations**

Commencing from any point or place, as described in Section IIA2, then over the most convenient streets, expressways, and highways to any point, described in Section IIB, except LAX.

Appendix PSC-11415	Rideshare Port Management, LLC (a limited liability company)	First Revised Page 3 Cancels Original Page 3
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SECTION II. SERVICE AREAS.

- A. Within the geographical limits of Los Angeles, Orange, Riverside, San Bernardino, and Ventura.

- B. Los Angeles International Airport (LAX).
 - *Burbank Airport (BUR).
 - *Long Beach Municipal Airport (LB).
 - *Ontario International Airport (ONT).
 - *John Wayne Airport (SNA).
 - *Los Angeles AMTRAK Union Station.
 - *Los Angeles and Long Beach Harbors.

SECTION III. ROUTE DESCRIPTIONS.

Commencing from any point or place, as described in Section IIA, then over the most convenient streets, expressways, and highways to any point, described in Section *IIB.